

Homeowners Association – Proof of Authority to Incur Debt

A complete copy of the Common Interest Community Declaration and of the Bylaws of the Association of _____ must be attached to this Proof of Authority to Incur Debt in order for this loan package to be complete. For each of the items listed below, the applicable provision of the declaration and/or bylaws must be specifically identified by its section and subsection number or page and paragraph number. By signing this Proof of Authority to Incur Debt, the board warrants the copies of documents attached hereto are true and correct and have not been superseded by any later amendments or revisions.

Except as otherwise noted, the documents attached hereto contain the following:

- 1. A copy of the provision or provisions of the condominium declaration, which expressly permits the assignment of the future income of the association. Provision identification: _____
_____.
- 2. A copy of the provision or provisions of the condominium declarations and/or association bylaws, which permit the assignment of lien rights and accounts of the association. If no such provisions exist, the board warrants this fact and further warrants that no provisions exist in the declaration or bylaws, which would prohibit or limit in any way the right or power of the board to make this assignment. Provision identification: _____
_____.
- 3. A copy of the minutes of the meeting of the association at which the owners of at least 75% of the units in the association approved the incurring of this loan and authorized the board to act in this respect on behalf of the association. The board warrants that proper notice was given to association members of this meeting, or that any defect in notice was waived, that a quorum of members was present and that at no subsequent meeting has the authority of the board to incur this obligation been revoked.
- 4. A copy of the minutes of the meeting or meeting of the association at which each of the undersigned board members was elected, together with a copy of the condominium declaration and/or association bylaw provisions governing the election, term of office and removal of board members. The board warrants that each of its members signing below has been properly elected to the board and has not been removed from office since being elected. Provision identification: _____
_____.
- 5. A copy of the condominium declaration and/or association bylaw provisions governing the number of board members required to take action on behalf of or borrow money for the association. Provision identification: _____
_____.

- 6. All documents needed to be signed by the board in order to allow the depository institution in which the board maintains the accounts it has assigned to secure the loan, to release funds or transfer accounts to the assignee of the account.

- 7. A copy of the association's policy of directors and officers liability insurance, together with a statement from the insurer that the policy is paid up and in force.

Board Member Signature _____ Date _____

Board Member Name: _____

Title: _____

Board Member Signature _____ Date _____

Board Member Name: _____

Title: _____

Board Member Signature _____ Date _____

Board Member Name: _____

Title: _____